

NEW SOUTH WALES.

BUSINESS STATISTICS - 25TH SEPTEMBER, 1940.

Last week's rainfall (the best for months) will benefit crops and pastures, but copious rain is needed to break the drought fully. Growing strength of the industrial war effort is reflected in records in factory employment, haulage of coal, consumption of gas and electricity and railway goods traffic. Domestic trade remains stable. Building activity, though decreased, is still considerable. A big increase in deposits in savings banks in August may imply resumption of the favourable trend in small savings.

C O N T E N T S.PART.I SEASON: Beneficial rain but more needed.

EXPORT PRICES AND EXTERNAL TRADE CONDITIONS: Export prices steady - Shipping - Conditions in U.K.; Exchequer returns - Conditions in U.S.A. - Exports to U.K.; New Caledonia.

CURRENCY RELATIONSHIPS: Sterling above official rate in New York free market.

WOOL: Arrivals in Sydney. Appraisements. Issue prices increased in U.K. Prices higher and demand increasing in U.S.A.

WHEAT: Poor Aust. harvest prospects. Wheat conference. Prices firm in Chicago. Local market quiet.

BUTTER: Conditions improving. Production increasing on North Coast.

METALS: Tin dearer and silver firm in London.

II WHOLESALE TRADE: Employment - Aug., 1940. Sales - July & Jan.-July, 1940.

RETAIL TRADE: Employment - August, 1940. City shops - Activity in July & Jan.-July, 1940.

SAVINGS BANKS: Deposits and Open Accounts at August 31, 1940. War Savings Certificates.

III EMPLOYMENT (N.S.W.) Persons employed - Mid-August, 1940. MANUFACTURING INDUSTRIES: Employment (N.S.W.) - Mid-August, 1940. 42 Large Factories - Sales &c. July & Jan.-July, 1940.

BUILDING PERMITS: METROPOLIS: Value and No. Dwellings - Aug. & Jan.-Aug., 1940.

MOTOR VEHICLES: New vehicle sales - August, 1940. Total Registrations at 31st August, 1940.

COAL; N.S.W.: Coal hauled by Rail - Aug. & Jan.-Aug., 1940. Employment in Collieries - August, 1940.

GAS & ELECTRICITY: Index of Consumption (Sydney) - August, 1940.

WIRELESS LICENSES: Licenses in force in N.S.W. at 31st August, 1940.

Wool arrived in

PART I. PRIMARY AND EXPORT INDUSTRIES.

SEASON. Rain, exceeding an inch in many places fell over principal wheat-growing and pastoral districts at the end of last week. Wheat crops not already beyond recovery will benefit materially, and spring pastures have been given a good start but much more rain will be needed to fully restore seasonal conditions. Because of the drought position Ministers of Agriculture from the four principal wheat-growing States are to confer with the Minister for Commerce at the end of this week.

EXPORT PRICES AND EXTERNAL TRADE CONDITIONS.

compared with the average of

Export prices of principal Australian commodities are virtually stabilised under the British contracts. The index number (Commonwealth Bank) of export prices in Australian currency is

82 (average 1927 = 100)

66 in August, 1939, and

83.5 in the three years ended June, 1938.

Less wool and wheat will be produced than in 1939-40. The outlook for products such as butter, cheese, eggs, etc. has improved and if further rain falls soon production may increase. With regard to shipping sinkings have been moderate and the position seems to have changed very little; but if major war operations occur in Egypt, less tonnage will be available for trade purposes. Transport of wool to the United States in American vessels will place wool nearer at hand to the United Kingdom thereby lessening demands on shipping in an emergency.

In Britain heavy air raids have not affected production seriously; last week British output of war products attained a new high level. Stock market values of industrial shares in London have been maintained at the improved level of recent weeks (30% higher than the nadir of June 26, 1940). Deliveries of American-built war planes to Britain now total 500 a month.

Wages of British miners have been increased again under a cost of living adjustment and shipyard workers are seeking higher wages. Voluntary savings have been disappointing. The note circulation is steady and there is no evidence of currency hoarding. From April 1 to Sept. 14 ordinary revenue was £415.2m. this year compared with £309.8 m. to Sept. 16 of last year, and expenditure increased to £1,449.6 m. from £513.9m. in the same periods.

A British good-will mission has been sent to South America but is not empowered to negotiate commercial agreements. The Argentine Government is understood to view favourably the proposal for British purchases on credit of Argentine food products to a value of about £stg. 35m.

Business activity is increasing in the United States. This, and growing confidence in Britain's war prospects is reflected in increased stock exchange activity and higher security prices in New York. Steel production has reached 93 per cent. of capacity. American-made aircraft and metal working machinery to the value of £stg. 18.4 m. were exported to the United Kingdom in Aug., 1940.

Alignment of New Caledonia with the Free French Cause assures continuance of supply to Australia of important materials - nickel, chrome, manganese, etc. An interesting development is the desire of the Netherlands East Indies to obtain Australian-built trainer aircraft.

CURRENCY RELATIONS: The free market for sterling in New York is now extremely small, but strength in that market may be regarded as another token of American confidence in the political and economic position of the United Kingdom. The current quotation of \$4.04 to £stg. is one-half cent. above the official rate and shows a striking recovery from the low average rate of \$3.28 during May, 1940. That recovery is due mainly to the steps taken in July, 1940 to make British exchange control complete. The prevailing rate of exchange indicates the efficacy of that control.

WOOL. Because dry weather has enabled shearing to proceed with unusual expedition, arrivals of wool in Sydney are greater than in the early part of last season:-

/Wool....

PART I. (Continued.)

Wool arrived in Sydney	- July 1 to Sept. 19, 1940	469,627 bales
	- July 1 to Sept. 19, 1939	414,447 "
	Increase	55,180 "

This season's clip, however, is expected to be from 5 to 10 per cent. lighter than that of 1939-40, and also rather lower in quality. Up to last week 227,808 bales had been appraised in Sydney. Because of the light, springy condition of the wool the weight per bale this season may average little more than 300 lb. compared with 312 lb. in 1939-40 (the heaviest average for several years).

Short wool sheep skins and pelts (for which France was the principal market) are now almost unsalable.

Home issue and export issue prices have been increased by the British Wool Control, due to freight costs and marine insurance charges. Home issue wool is 4 per cent. and tops 6 per cent. dearer. Merino top prices in England are now at least 70 per cent. above the pre-war level. The increase negatived hopes in the British woollen industry that prices might be reduced, thereby facilitating British competition in export markets.

Apart from the storage scheme, the outlook for absorption of wool in the United States is bright; since mid-August futures have risen 10 per cent. in New York and the market is unusually strong. A heavy demand for civilian goods supplements Government orders for military materials. Supplies remaining in the Western United States are estimated at only 40 m. lb. and much imported wool will be needed. Even medium and lower grades of wool are selling well. In the United States apparel wool on hand at June 30, 1940 was 9 per cent. below the average on June 30 of the five years 1935 to 1939.

WHEAT. Parts of the N.S.W. wheat belt where wheat crops had not already failed received beneficial rain last week, and if satisfactory rains follow, average yields may yet be obtained in these districts. Some authorities believe the Australian harvest will not exceed 100 m. bus. compared with 210 m. b. last season and an average of 177.7 m.b. in the ten years ended 1940.

A conference to consider methods of drought relief, and other problems of the wheat-growing industry has been called for Sept. 27 by the Minister for Commerce.

On the Chicago Grain Exchange, quotations of wheat futures are firm and on Sept. 23, for December options, were $79\frac{3}{4}$ cents compared with $70\frac{1}{4}$ cents a bus. on Aug. 16, 1940. The market, obviously, is governed by factors other than the statistical position, which is more bearish than ever before. From Japan it is now reported that the 1940 harvest, given earlier as 48m. bus., is 65 m. bus. This is a record crop.

The local market has been very quiet and dependent mainly upon purchases for home trade, but some wheat for export flour, presumably for regular customers, has been taken by millers. No important export sales have been reported.

The Wheat Board's prices for produce bagged wheat in small and truck lots were raised $\frac{1}{2}$ d. a bus. on Sept. 23. Prices were otherwise unchanged, and were (per bus., f.o.r., Sydney) 4s. $2\frac{1}{4}$ d. for bagged and 3s. $11\frac{1}{4}$ d. for silo wheat for local consumption and small export orders. The price of flour in local trade remains at £12. 10s. a ton (including tax).

PART I. (Continued.)

PRICES OF WHEAT IN NEW SOUTH WALES.

Bulk Wheat	Season ended November			August		Sept. 24, 1940.
	1931-35	1937	1939	1939	1940	
	Shillings and pence per bushel.					
Ex trucks, Sydney	2 9½	5 3	2 5	2 3	3 11¼(b)	3 11¼(b)
Equiv. ex farm at Country siding(a)	2 2½	4 8	1 9½	1 7½	(c)	(c)

(a) Exclusive of bounty. (b) Prices for sale for local consumption.
(c) Advances made give farmers about 2s. 5d. (net) a bus. Further payments depend upon realisations for the whole 1939-40 crop.

BUTTER. The production of butter in New South Wales is still much below normal for the time of the year. On the Coast north of the Macleay River output is increasing, and as useful rain has fallen in other dairying districts a general increase may follow. More rain is needed, however, before satisfactory pasturage will be assured. Dairy production in Queensland and Victoria also has suffered because of droughty conditions.

The local wholesale price of butter is 158 s. 8d. per cwt. in the three Eastern States.

Butter production in factories in Australia in the year ended June, 1940 was a record at 212,680 tons, mainly due to an increase of 15,586 tons in Victoria. Production in New South Wales was 50,009 tons, or 813 tons less than in 1938-39.

The course of butter prices in Sydney was as follows:-

PRICES OF BUTTER - EXPORT AND LOCAL.

Average - Season ended June.				September.	
1929-32	1933-36	1937-39	1939	1939	1940.
Shillings (Australian) per cwt.					
Export Parity	135	88	122	123	137(a)
Local Sales	173	134	150	159	159

(a) Agreed price for British purchase, 1939-40 and 1940-41.

METALS. There has been no change in the maximum prices, delivered to buyer, duty paid, of the British Ministry of Supply for copper (£62) lead (£25) and spelter (£25.15s.) per ton (sterling prices.)

After falling from £269 a ton at the end of July to £239 10s. a ton on Sept. 16, 1940 the price of tin in the open market in London recovered strongly to £254.5s. a ton on Sept. 23. In New York tin was quoted on Sept. 23 at 50.05 cents compared with 50.10 cents on Sept. 17 and 52.75 cents a lb. on July 31, 1940.

In London the price of silver continued to fluctuate near 1s. 11½d. an oz. at which price it was quoted on Sept. 23. Open market prices for tin and silver in London compare as under:-

	Aug., 1939.	Jan., 1940.	June, 1940.	September, 1940 16th 23rd.
Tin (ton)	£229.18s. 9d.	£240.18s. 1d.	£273.12s. 10d.	£239.10s. £254. 5s.
Silver (oz.)	1s. 5.7d.	1s. 9.9d.	1s. 10.7d.	1s. 11.4d. 1s. 11.5d.

PART II. FINANCE AND TRADE.

WHOLESALE TRADE. The value of goods sold at wholesale in New South Wales as recorded under the Sales Tax Acts increased by 9.6 per cent. in July and by 5.1 per cent. in the seven months ended July, 1940 in comparison with the corresponding month and period of 1939.

In these increases higher prices and the supply of war material to the Government had a part. Civilian consumption appears sustained (See Retail Trade, below) but the aggregate figures obscure a marked decrease in activity in the motor trade.

As the returns include direct factory sales they are not representative of trends in business of merchant wholesalers. Particulars of employment with wholesale firms with ten or more employees show that there has been little change in the number of employees over the past three years. In August, 1940 these firms employed 25,924 persons, compared with 25,420 in August, 1939.

WHOLESALE TRADE, NEW SOUTH WALES.

Month of July.	Sales by Registered Traders.			Persons Employed by Wholesalers with Ten or more Employees.	
	£ million.	Seven Months ended July.	Increase over Jan.-July of Preceding Year.	July	August
				No.	No.
1932	10.09	69.00	(-) 1.7	17,639 (June 1933)	
1937	16.55	108.29	18.5	24,508	24,331
1938	16.23	110.62	2.2	25,169	25,320
1939	15.28	108.97	(-) 1.5	25,356	25,420
1940	16.74	114.48	5.1	25,891	25,924

Minus sign (-) denotes decrease.

RETAIL TRADE. War expenditure, greater employment and increased export income have put more money into the hands of the public, but consumers have apparently been reassured by the effective control of prices, and apart from a short period of rush buying in the early months of the war, retail trade has proceeded normally.

Persons Employed

in Shops. Particulars of employment in 550 retail establishments with ten or more employees (which provide a broad indication of the trend in retail trade) show that in August, 1940 there were 51,728 persons employed. This was 475 more than in August, 1939. Between 1933 and 1938 employment in retail trade increased by about 35 per cent. but (seasonal movements apart) changes in the number employed have since been unimportant. The appended details reveal a slight increase compared with a year ago in Sydney and suburbs, and small decreases elsewhere in the State.

EMPLOYMENT IN RETAIL TRADE - NEW SOUTH WALES.

Middle week of August.	Sydney		Newcastle District.	Country Towns	Total, N.S.W.	
	City	Suburbs			Number	Increase in last 12 months.
	Persons employed by firms with 10 or more employees.		Per cent.			
1936	33,355	3,875	2,242	8,132	47,604	Not avail.
1937	34,983	4,068	2,345	8,552	49,948	2,344
1938	36,109	3,953	2,509	8,752	51,323	1,375
1939	36,136	4,030	2,543	8,544	51,253	(-) 70
1940	36,706	4,084	2,536	8,402	51,728	475

City Shops. With one more trading day in July, 1940, the value of sales in a group of large city shops was 11.2 per cent. greater than in July, 1939 (when sales were 0.9 per cent. less than a year earlier). There were increases in sales of all classes of goods

(except.....)

PART II. (Continued.)

(except sports and travel) in comparison with July, 1939, in which those for piece goods (25.1%) women's wear (10.2%) boots and shoes (12.4%) furniture (10.9%) hardware (15.1%) and fancy goods (22.9%) were noteworthy.

Increased landed costs of imported goods have contributed materially to the increase in sales value, and this partly accounts for the increase of 23.5 per cent. in the value of stocks in comparison with July, 1939. Taking price movements into consideration there is little indication of undue consumer buying. In successive three-monthly periods (ended in the months shown) the increase in the value of sales in these city shops compared with a year earlier was:-

	1940:	Jan.	Feb.	Mar.	Apr.	May.	June.	July.
Increase %		3.8	6.2	3.2	5.5	4.5	6.3	5.8

Employment in these shops was 0.5 per cent. greater in July, 1940 than in July, 1939 and the amount of salaries and wages paid showed an increase of 3.7 per cent.

SAVINGS BANKS. During August, 1940 the amount of deposits in savings banks in New South Wales increased by £939,000 to £83,074,000. This excess of deposits over withdrawals was the largest in any month for several years. It strengthens the impression gained from a small increase (£24,000) in July that heavy withdrawals in May and June were erratic movements contrary to the general trend. Subscriptions to the £20 million War Loan and purchases of War Savings Certificates were among the factors in the May-June decreases.

The position with regard to small savings may well be represented by the course of savings bank balances and War Savings Certificates together. This was as follows for New South Wales:-

With great ment is natural- ducing war mater- level of indus- War Savings Certificates Total Ø	At Apr. 30, 1940	Increase + or Decrease - during-				At Aug. 31, 1940.
		May	June	July	Aug.	
		£000	£000	£000	£000	
Savings Bank Balances	87,056	-1,877	-4,608 ^X	+ 24	+ 939	83,074 [★]
War Savings Certificates Ø	150	+ 300	+2,250	+1,728	+ 666	5,094
Total Ø	87,206	-1,577	-2,358	+1,752	+1,605	88,168

Ø Approximate only. X Excluding [★] Including interest addition. (approx. £1,540,000) in June, 1940.

The number of open savings accounts increased by 1,621 in July and by 6,606 during August, restoring the upward trend interrupted by the decrease of 7,940 in June, 1940. Active economic conditions have increased the means and patriotic sentiment the propensity to save.

SAVINGS BANKS IN NEW SOUTH WALES.

	Depositors' Balances		Increase in Deposits.		Number of Open Savings Accounts.	
	At 31st July.	At 31st August.	In August	In Year ended Aug.	At 31st July.	At 31st August.
			£000	£000	000	000
1932	71,173	71,083	(-) 90	1,577	not available	
1937	81,949	82,229	280	2,439	1,228	1,238
1938	85,953	86,310	357	4,081	1,298	1,306
1939	87,201	86,957	(-) 244	647	1,338	1,315
1940	82,135	83,074	939	(-3,883)	1,314	1,321

Minus sign (-) denotes decrease.

EMPLOYMENT. In the middle week of August 1940 there were 872,026 persons in employment in New South Wales, exceeding the number in August of any earlier year; that in August, 1939 by 40,220. The course of employment during the war period and the rapid recovery from the set-back of April-May, 1940 is illustrated as follows:-

	Aug. Ø	Nov. Ø	Jan.	Mar.	May.	June.	July.	Aug.
	Persons in Employment	in New South Wales	Thousands.					
1938	808.8	835.6	819.8	835.2	835.6	839.5	838.6	834.6
1939 (a)	834.6	841.4	820.4	834.1	836.2	831.5	833.3	831.8
1940 (b)	831.8	856.9	851.4	865.7	837.1	856.4	865.1	872.0
Increase (a) to (b) (-)2.8		15.5	31.0	31.6	0.9	24.9	31.8	40.2

Ø Preceding Year.

Most of the increase is in private employment, particularly in factories. The increase in Government employment shown below is due partly to staff added to defence establishments and other departments engaged in war services, but the figures for 1940 include approximately 2,500 public servants on active service. Comparative particulars (with year to year movements in parenthesis) are:-

	<u>Private Employment.</u>	<u>Local Government.</u>	<u>State & Commonwealth Government Incl. Water Board etc.</u>
August, 1938	684,897 (24,138)	21,375 (-1,736)	128,300 (3,400)
1939	680,300 (-4,597)	20,106 (-1,269)	131,400 (3,100)
1940	714,688 (34,388)	18,338 (-1,768)	139,000 (7,600)

With great emphasis on the development of war industries the increase in employment is naturally most marked in manufacturing and particularly in factories producing war materials. (See details in next succeeding note). However the high level of industrial activity, the rising national income, and the disbursement of war expenditure is having repercussions upon employment over a wide field. Thus in nearly all of the industries broadly classified below there were more persons employed in August, 1940 than in the corresponding month of any preceding year. Percentage changes from year to year since 1937 are given in the table.

From August, 1940 the outstanding movement was the increase in factory employment. There has been a material increase in employment in offices and commerce, and employment in shipping and road transport (exclusive of trams and buses) after increasing, has been maintained at a high level.

Comparative details are as follow:-

EMPLOYMENT IN NEW SOUTH WALES.
(Excluding Relief Workers and men in the Armed Forces not on Civil Pay sheets.)

Group.	Number of Persons Employed in middle week of -					Increase from Aug. of preceding year -		
	Aug., 1937.	Aug., 1938.	Aug., 1939.	July, 1940.	Aug., 1940.	1938	1939	1940.
All Employment	000	000	000	000	000	Per	Cent.	
Private	808.8	834.6	831.8	865.1	872.0	3.2	-0.3	4.8
All Factories	660.8	684.9	680.3	708.3	714.7	3.6	-0.7	5.1
In. Firms with Ten or more Employees.	219.3	229.0	224.7	239.9	243.9	4.4	-1.9	8.5
Mines	19.4	21.0	21.7	21.1	21.0	8.2	3.3	-3.2
Retail Trade	49.9	51.3	51.3	52.1	51.7	2.8	-	0.8
Wholesale Trade	24.3	25.3	25.4	25.9	25.9	4.1	0.4	2.0
Offices & Commerce	25.4	26.3	27.1	28.1	29.1	3.5	3.0	7.4
Shipping & Rd. Transp't.	18.2	19.5	20.7	21.6	21.4	7.1	6.2	3.4
Personal Services	26.9	28.7	29.3	30.2	29.7	6.7	2.1	1.4
Other Industries	21.3	21.7	20.2	19.9	20.4	1.9	-6.9	1.0

Minus sign (-) denotes decrease.

/Manufacturing.....

PART III. (Continued.)

MANUFACTURING INDUSTRY. A greater number of persons (243,900) was employed in factories in New South Wales in August, 1940 than ever before. There were increases of 19,200 compared with August, 1939 and of 4,000 between the middle weeks of July and August, 1940. The great increase is related to the steadily expanding industrial war effort, which rests upon the post-depression development of industrial productive capacity. The index number of factory employment in August, 1940 was 35 per cent. above the average for 1928-29 (the pre-depression peak year). Figures illustrating the course of factory employment in this State are:-

EMPLOYMENT IN FACTORIES IN NEW SOUTH WALES.

	<u>Aver.</u> , 1928-29	<u>June</u> , 1933.	<u>Aug.</u> , 1938.	<u>Aug.</u> , 1939.	<u>Mar.</u> , 1940	<u>May</u> , 1940	<u>Aug.</u> , 1940.
Persons (000)	180.7	139.7	229.0	224.7	241.3	225.7	243.9
Index No.	100	77	127	124	133	125	135

To ensure ample supplies of certain imported materials, the Government is facilitating the accumulation of stocks sufficient to meet six months requirements (of a value of about £10 million) by the issue of licenses for the storage of such goods in private warehouses. The Trades Union Defence Advisory Panel is functioning effectively, and was instrumental, by suggesting a basis for settlement of a dispute involving engineers, in obviating a stoppage which threatened to hold up munitions production. New National Security regulations gazetted on Sept. 20 facilitate the transfer of tradesmen from civil to munitions work, and provide safeguards for skilled tradesmen in whose trade skilled labourers and trainees are being permitted to perform tradesmen's work.

Iron and steel works at Newcastle and Port Kembla are working to capacity and producing more iron and steel than ever before, but particulars are not available for publication. Except in paper and printing (affected by voluntary paper rationing and cessation of publication of a metropolitan newspaper) and in wood-working and furniture factories, activity has either remained at a high level or increased. Particulars of employment in factories with ten or more employees show a striking increase in industrial metals factories, reflecting the expansion of munitions, aircraft, etc. manufacture:-

EMPLOYMENT IN FACTORIES WITH TEN OR MORE EMPLOYEES, N.S.W.

Middle week of -	Cement &c. Bricks	Chem- icals etc.	Indust- rial metals.	Textile & Cloth- ing.	Food and Drink.	Wood- work- ing &c.	Paper & Print- ing.	Rub- ber.
	Number	of	Persons	Employed	-	Thousands.		
Aug., 1935	8.14	5.34	45.50	31.36	22.37	8.17	12.07	2.64
" 1938	11.70	6.68	64.57	37.75	27.77	10.77	14.64	3.81
" 1939	11.50	7.24	61.78	36.96	27.96	9.89	14.81	3.68
Mar., 1940	11.99	8.55	66.30	39.61	31.05	9.95	15.15	4.13
May, "	11.22	8.24	58.34	39.10	28.62	9.60	15.11	4.16
July, "	12.18	8.72	68.37	39.66	28.61	9.51	14.95	4.08
Aug., "	12.49	8.62	70.85	49.22	28.95	9.65	14.58	3.74

In 42 large factories products sold in July, 1940 were 18.9 per cent. greater in value than in July, 1939. Sales in the seven months ended July were £23.9 m. this year, compared with £21.22 m. in 1939; an increase of 12.7 per cent. Employment and weekly payrolls in these factories were greater in July 1940 than ever before and had increased by 5.7 per cent. and 12.8 per cent., respectively in comparison with July, 1939.

Comparative statistics illustrating trends in manufacturing activity follow:-

MANUFACTURING INDUSTRIES - NEW SOUTH WALES.

All Factories.		Forty-two Large Factories.					
August.		Month of July.			January to July, (monthly average).		
Number	Index No.	Sales	Employees.	Wages paid Weekly	Sales	Employees.	Wages paid weekly.
1928-29 = 180,756	100.	£000	000	£000	£000	000	£000
1932	140,400	74	1887	14.2	52.0	1989	14.1
1937	219,300	121	3064	22.7	87.1	2955	22.2
1938	229,000	127	3029	23.8	97.5	3096	23.3
1939	224,700 ⁰	124 ⁰	2961	22.8	95.0	3032	23.0
1940	243,900 ⁰	135 ⁰	3512	24.1	107.2	3417	23.6

Preliminary.

BUILDING PERMITS - METROPOLIS.

Note: Government buildings are not included in building permits.

Permits show some revival of building activity latterly to a level from 15-20% below that of 1937-38 and 1938-39. Building lags in the city despite a slight recent improvement. All major classes of buildings show decreases though for houses the decrease in value is moderate. A good deal of factory building is in progress. In Jan.-Aug. all permits in 1940 were 17.2% lower in value than in 1939.

Dwellings proposed in Aug. numbered 820 in 1940 and 1051 in 1939, and in the 8 months ended August, 5997 this year and 7366 last year. The decrease was mainly in flat dwellings.

Permits for private buildings of a value of £956,000 were granted in Sydney and suburbs in August, 1940. This was the lowest August total since 1936 and was £253,000 less than in August, 1939, but it approximated the recent monthly average. Private building appears maintained at a level from 15 to 20 per cent. below that of one and two years ago. Monthly permit totals in the Metropolis compare as under:-

Inc. Fac.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Total 8 Months.
1938 (£000)	905	899	1303	1256	1292	1140	1741	1202	9,738
1939 "	864	999	993	931	1028	1270	1522	1209	8,816
1940 "	699	755	870	1941	979	960	1048	956	7,307

In July and August private building permits and contracts for Government buildings in Sydney and suburbs totalled £3,186,000 in 1939 and £2,232,000 in 1940. In August contracts for Government buildings were £54,000 compared with £418,000 in August, 1939. (The amounts for last year included £411,000 for the G.P.O. extension.)

It is in the city that the decrease in private building proposals has been most marked, and although in the last three months the value exceeded that of the preceding six months it was yet much below the average in the years 1936 to 1938. For the suburbs monthly totals in the last five months closely approached the high average of 1938 and 1939.

/PERMITS.....

PERMITS GRANTED FOR PRIVATE BUILDINGS - SYDNEY AND SUBURBS.

Type of Dwelling	Month of August.					Eight Months ended August.				
	1936	1937	1938	1939	1940	1936	1937	1938	1939	1940
City £000	102	156	141	128	124	1542	1686	2340	1354	848
Suburbs £000	763	893	1061	1081	832	5190	5296	7398	7462	6459
Total £000	865	1049	1202	1209	956	6732	6982	9738	8816	7307

In August, 1940 the values of permits for houses and flats were above the average for earlier months of this year, but were 10 and 33 per cent. respectively below the totals in August, 1939. In line with the recent trend values for each other class of building except hotels were considerably below those of a year ago. In considering the appended figures allowance should be made for the increased cost of building, as a result of which the decrease in the volume of private building is appreciably greater than comparisons of value indicate. Percentages given at foot of the table show that house-building has been relatively well sustained but proposals for commercial, industrial and social buildings in Jan.-Aug., 1940 were barely two-thirds the volume in the corresponding period of 1939.

VALUE OF BUILDING PERMITS GRANTED - SYDNEY AND SUBURBS.

Period.	Houses.		Flats (a)	Hotels, Guest- Houses.	Shops (b)	Factor- ies. (c)	Offices, Theatres, etc.	Total.
	Brick, &c.	Wood, Fibro						
	£000	£000	£000	£000	£000	£000	£000	£000
August, 1938	491	95	360	28	19	61	148	1202
" 1939	490	97	276	13	103	134	96	1209
July, 1940	465	57	180	174	9	71	92	1048
August "	458	72	183	36	21	106	80	956
Jan.-Aug., 1938	3423	597	2391	417	375	686	1849	9738
" 1939	3196	684	2188	313	375	985	1075	8816
" 1940	3155	662	1425	495	226	635	709	7307
Movement: 8 Mths. 1939 to 1940	-1.3%	-3.2%	-34.9%	+58.1%	-39.7%	-35.5%	-33%	-17.2%

Including (a) conversion to flats; (b) shops with dwellings; (c) public garages.

Factory building is of particular interest in view of the industrial war effort. Much existing factory space and equipment is being utilised in war production and under National Security regulations new capital investment in non-essential manufacturing enterprises is precluded. Permits for factories averaged £102,000 a month in 1937, £67,000 in 1938 and £106,000 in 1939. The average in the last three months was £91,000, compared with £73,000 in the first nine months of the war.

DWELLINGS. There were 820 net additional dwellings proposed in the Metropolis in August, 1940, compared with 1,051 in August, 1939. New houses (543) decreased by 101 and new flat dwellings (267) by 107. However in July and August the numbers of houses and flat dwellings were 20 and 7 per cent. respectively above the averages in the first six months of this year.

In the eight months ended August, 1940 there were 5,997 net additional dwellings proposed. The number decreased by about $18\frac{1}{2}$ and 28 per cent. in comparison with the corresponding periods of one and two years ago. This year there were 306 (7%) fewer houses and 1,067 (32%) fewer flat dwellings than in Jan.-Aug., 1939. Comparative details are as follow:-

/DWELLINGS.....

PART III. (Continued.)

DWELLINGS INCLUDED IN BUILDING PERMITS - SYDNEY AND SUBURBS.

Type of Dwelling.	Eight Months ended August.				
	1936	1937	1938	1939	1940
	Number of Dwellings.				
Houses - Brick, etc.	2,466	2,280	3,288	3,044	2,873
Wood, Fibro, etc.	570	685	1,121	1,238	1,103
<u>Total</u> - <u>Houses</u>	<u>3,036</u>	<u>2,965</u>	<u>4,409</u>	<u>4,282</u>	<u>3,976</u>
Flats - In new flat buildings	2,160	2,015	3,718	2,963	1,986
In converted buildings	258	328	298	213	183
With shops, hotels, etc.	122	92	135	137	77
<u>Total</u> - <u>Flats, etc.</u>	<u>2,540</u>	<u>2,435</u>	<u>4,151</u>	<u>3,313</u>	<u>2,246</u>
Grand Total	5,576	5,400	8,560	7,595	6,222
Less Demolitions & Conversions	218	296	230	229	225
Net Additional Dwellings	5,358	5,104	8,330	7,366	5,997

The monthly average number of dwellings proposed in the first eight months of this year was 750 compared with averages of 821 in 1929, 988 in 1938 and 818 in 1939, and was greater than in any other of the past twelve years:-

NUMBER OF DWELLINGS INCLUDED IN PERMITS - SYDNEY AND SUBURBS.

	Calendar Year.					Jan.-August.	
	1929	Average 1930-34.	1937	1938	1939	1939	1940
Individual Houses	7,095	1,205	4,852	6,342	5,847	4,282	3,976
In Flats, with Shops, etc.	3,097	656	3,900	5,821	4,290	3,313	2,246
Net Total \emptyset	9,854	1,839	8,490	11,853	9,822	7,366	5,997

\emptyset After deducting demolitions and conversions.

MOTOR VEHICLES. During August, 1940 new motor vehicle sales averaged only 141 per week, compared with 624 a week in August, 1937 and 468 a week a year ago. New lorry and van registrations (53 a week) were lowest for several years.

AVERAGE NUMBER OF NEW MOTOR VEHICLES REGISTERED PER WEEK, N.S.W. \emptyset

	Cars, Cabs and Omnibuses.						Lorries and Vans.					
	Mar.	Apr.	May	June	July	Aug.	Mar.	Apr.	May	June	July	Aug.
1937	526	452	523	497	451	414	138	162	187	218	202	210
1938	505	478	487	383	357	340	177	182	207	155	156	147
1939	435	383	417	376	305	322	131	130	151	141	133	146
1940	268	243	176	115	63	88	106	114	103	70	60	53

\emptyset Exclusive of military and Air Force vehicles.

/This.....

PART III (Continued.)

This drastic decrease is in reaction to increased costs of motor operation, prospective rationing of petrol (to begin on Oct. 1, 1940), restrictions on motor vehicle imports from non-sterling countries, and the general influence of the war. As a war-time phenomenon it may be welcomed as tending to conserve foreign exchange to war needs, since, over the short run, the efficiency of road transport is unlikely to be impaired materially.

Total motor vehicle registrations decreased during the first year of the war by 16,881 of which decrease cars accounted for 11,437 and lorries and vans for 3,062. There were decreases of 2,073, 1,525 and 391, respectively, in August, 1940.

Particulars of the number of registered motor vehicles, illustrating the trend, are given below:-

NUMBER OF REGISTERED MOTOR VEHICLES IN NEW SOUTH WALES.

	1933	1938	1939.			1940			
	July	Aug.	Aug.	Dec.	Mar.	June	July	Aug.	
	Thousands.								
Cars	148.2	206.0	216.6	216.4	214.6	209.5	206.7	205.2	
Lorries and Vans	42.2	73.6	77.6	77.5	76.4	75.6	75.0	74.6	
All Vehicles	216.5	313.0	329.2	328.6	324.8	318.2	314.4	312.3	

COAL. Collieries in New South Wales have worked without any major interruption since resumption after the stoppage in March-May, 1940. The quantity of coal moved by rail in the three months ended August, 1940 was greater than in any preceding three months period and 6 per cent. greater than in June-Aug., 1939. Partly, the heavy movement is due to replenishment of stocks depleted during the stoppage but the record level of industrial activity is a major factor. In comparison with the same months of 1937, the increase in coal hauled was 25 per cent. Contracts for coal for N.S.W. Railways for the year ending Sept. 30, 1941 total 1,659,815 tons at a tendered cost of £1,198,282. Prices are approximately 6 per cent. higher than in the year ended Sept., 1940 when 1,499,650 tons were ordered.

There were 17,000 men employed in collieries in New South Wales in August, 1940, which was 100 more than in August, 1939. This compares with an average of 24,500 in 1927; due to mechanisation of colliery operations the production of coal is at least as great as in that year, when the larger number of men were employed.

COAL MINING INDUSTRY, NEW SOUTH WALES.

	Coal Hauled on Government Railways.		Coal Raised (a) Calendar year.	Men Employed in Collieries. (b).		
	August	Jan.-August.		July.	August.	
				000 tons	No.	
1928	569	4,240	9,448	21,700(c)	21,700(c)	
1937	641	4,877	10,050	14,200	14,600	
1938	623	5,239	9,571	15,700	15,500	
1939	841	5,792	11,196	16,700	16,900	
1940	880(d)	4,219(e)	-	17,100	17,000	

(a) Average, 1923-27: 11,100,000 tons. (b) Average, 1927 : 24,500.

(c) Yearly average. (d) Approximate. (e) Affected by stoppage, Mar.-May.

GAS AND ELECTRICITY. In August, 1940 more gas and electricity was used in Sydney and suburbs than in August of any preceding year though the weather was unusually mild. Consumption was 37 per cent. above the 1929-31 average and in comparison with August 1929 (pre-depression) increased by nearly 30 per cent. Roughly one-half this increase may be attributed to the increase in population. For the rest the increase reflects industrial expansion and a wider use of modern power machinery and equipment both commercially and in private homes. Index numbers illustrating the

PART III (Continued.)

steady increase in the amount of gas and electricity consumed are as follow:-

INDEX OF CONSUMPTION OF GAS AND ELECTRICITY - SYDNEY AND SUBURBS.

	<u>1929</u>	<u>1932</u>	<u>1936</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Index Numbers : Average 1929-31 = 100.						
Month of August	106	97	107	128	135	137
Calendar Year	105	96	112	123	131	-

WIRELESS LICENSES. The number of Broadcast Listeners' Licenses in force in New South Wales increased in August, 1940 by 1,533 to 475,761. In August, 1939 there was a decrease of 2,943, this was the only month of decrease in recent years. There is now rather more than one license to every six persons (17 per 100) in the State and the number of licenses is still increasing. As from Sept. 1, 1940 the license fee was reduced from £1. 1s. to £1 per annum. Particulars of licenses current and of increases from year to year are:-

BROADCAST LISTENERS' LICENSES IN FORCE IN NEW SOUTH WALES.

(Including Australian Capital Territory.)

	<u>1932</u>	<u>1934</u>	<u>1936</u>	<u>1938</u>	<u>1939</u>	<u>1940</u>
Number of Licenses - Thousands.						
At 31st August	148.1	243.3	327.2	414.7	431.0	475.8
Increase in year ended August	27.7	61.8	45.6	44.5	16.3	44.8